

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE WELLS FARGO & COMPANY
SECURITIES LITIGATION

No. 20 Civ. 4494 (GHW) (SN)

**DECLARATION OF LEONID TRAPS IN SUPPORT OF DEFENDANTS'
OPPOSITION TO LEAD PLAINTIFFS' MOTION FOR CLASS CERTIFICATION**

I, LEONID TRAPS, hereby declare:

1. I am a member in good standing of the Bar of the State of New York and have been admitted to practice before this Court. I am a partner with the law firm of Sullivan & Cromwell LLP, counsel for Defendant Wells Fargo & Company (“Wells Fargo”). I submit this Declaration in support of Defendants’ Memorandum of Law in Opposition to Lead Plaintiffs’ Motion for Class Certification.

2. Attached as Exhibit 1 is a true and correct copy of the Expert Report of René M. Stulz, executed on December 23, 2022.

3. Attached as Exhibit 2 is a true and correct copy of a declaration signed by Kate Campbell on behalf of Longview Partners (Guernsey) Limited, dated December 21, 2022. This exhibit has been filed with the Court under seal.

4. Attached as Exhibit 3 is a true and correct copy of a report produced by PZENA Investment Management in this Action and bearing Bates number PZN000081. This exhibit has been filed with the Court under seal.

5. Attached as Exhibit 4 is a true and correct copy of an excerpt of the transcript of the deposition of Eric Hagemann on behalf of PZENA Investment Management, taken in this Action on November 8, 2022. This exhibit has been filed with the Court under seal.

6. Attached as Exhibit 5 is a true and correct copy of a Goldman Sachs Equity Research analyst report titled “Wells Fargo & Co. (WFC): First Take: Encouraging core operating trends offset by market sensitive revenue weakness,” dated January 15, 2019, produced by Wells Fargo in this Action and bearing Bates number WF_00030864.

7. Attached as Exhibit 6 is a true and correct copy of a Credit Suisse analyst report titled “Wells Fargo & Company (WFC), First Thoughts: Some + / Some –,” dated January 15, 2019, produced by Wells Fargo in this Action and bearing Bates number WF_00232986.

8. Attached as Exhibit 7 is a true and correct copy of Exhibit 13 to Wells Fargo’s 2018 Form 10-K filed with the U.S. Securities and Exchange Commission on February 27, 2019.

9. Attached as Exhibit 8 is a true and correct copy of an excerpt of the transcript of the deposition of Mills Riddick on behalf of Ceredex Value Advisors LLC, taken in this Action on November 29, 2022. This exhibit has been filed with the Court under seal.

10. Attached as Exhibit 9 is a true and correct copy of the transcript of the deposition of Lead Plaintiffs’ Expert, Michael L. Hartzmark, taken in this Action on December 8, 2022.

11. Attached as Exhibit 10 is a true and correct copy of a letter from Defendant Wells Fargo’s counsel to Lead Plaintiffs’ counsel, dated December 15, 2022.

12. Attached as Exhibit 11 is a true and correct copy of a letter from Lead Plaintiffs’ counsel to Defendant Wells Fargo’s counsel, dated December 21, 2022.

13. Attached as Exhibit 12 is a true and correct copy of an excerpt of Lead Plaintiff Louisiana Sheriffs’ Pension and Relief Fund’s Responses and Objections to Defendants Wells Fargo & Company, Timothy J. Sloan, and John R. Shrewsberry’s First Set of Interrogatories, served in this Action on March 16, 2022.

14. Attached as Exhibit 13 is a true and correct copy of an excerpt of the transcript of the deposition of Osey McGee, Jr. on behalf of Lead Plaintiff Louisiana Sheriffs' Pension and Relief Fund taken in this Action on November 15, 2022.

15. Attached as Exhibit 14 is a true and correct copy of PZENA Investment Management's Form ADV Part 2A filed with the U.S. Securities and Exchange Commission on March 29, 2018.

16. Attached as Exhibit 15 is a true and correct copy of an excerpt of Lead Plaintiff Public Employees' Retirement System of Mississippi's Responses and Objections to Defendants Wells Fargo & Company, Timothy J. Sloan, and John R. Shrewsberry's First Set of Interrogatories, served in this Action on March 16, 2022.

17. Attached as Exhibit 16 is a true and correct copy of an excerpt of the transcript of the deposition of Charles Nielsen on behalf of Lead Plaintiff Public Employees' Retirement System of Mississippi taken in this Action on November 2, 2022.

18. Attached as Exhibit 17 is a true and correct copy of an excerpt of the transcript of the deposition of Alec Henry on behalf of Eagle Capital Management, taken in this Action on November 15, 2022. This exhibit has been filed with the Court under seal.

19. Attached as Exhibit 18 is a true and correct copy of an excerpt of Lead Plaintiff Handelsbanken Fonder AB's Responses and Objections to Defendants Wells Fargo & Company, Timothy J. Sloan, and John R. Shrewsberry's First Set of Interrogatories, served in this Action on March 16, 2022.

20. Attached as Exhibit 19 is an excerpt of a true and correct copy of a prospectus, dated October 5, 2020, produced by Handelsbanken in this Action and bearing Bates number WFC Handelsbanken-0000001.

21. Attached as Exhibit 20 is a true and correct copy of an April 10, 2019 email to Alec Stais from Randall Rice, produced by Lead Plaintiff Employees' Retirement System of Rhode Island in this Action and bearing Bates number WFC_ERSRI-0003762.

22. Attached as Exhibit 21 is a true and correct copy of a Keefe, Bruyette & Woods analyst report titled "Wells Fargo & Company: Management Commits to Expenses but NII Guided Down," dated April 12, 2019, produced by Wells Fargo in this Action and bearing Bates number WF_00037735.

23. Attached as Exhibit 22 is a true and correct copy of an Oppenheimer Equity Research analyst report titled "Wells Fargo: 1Q19 First Take Pre-Call: Core Results Remain Under Pressure," dated April 12, 2019, produced by Wells Fargo in this Action and bearing Bates number WF_00233020.

24. Attached as Exhibit 23 is a true and correct copy of a Morgan Stanley Research analyst report titled "1Q19 Earnings Day 1: JPM, WFC, PNC," dated April 15, 2019, produced by Wells Fargo in this Action and bearing Bates number WF_00032742.

25. Attached as Exhibit 24 is an excerpt of a true and correct copy of a transcript of a hearing before the Committee on Banking, Housing, and Urban Affairs of the U.S. Senate titled "Examining the Efforts, Activities, Objectives, and Plans of Federal Regulatory Agencies with Respect to Prudential Regulations for U.S. Financial Institutions and Credit Unions," dated May 15, 2019.

26. Attached as Exhibit 25 is a true and correct copy of a transcript of a press conference by Jerome Powell, Chair of the Board of Governors of the Federal Reserve System, dated July 31, 2019.

27. Attached as Exhibit 26 is a true and correct copy of an Evercore ISI analyst report titled “Wells Fargo & Company: Another Potential Consent Order Snag?,” dated December 6, 2018.

28. Attached as Exhibit 27 is a true and correct copy of a Reuters article titled “Wells Fargo reform plans fail to satisfy Fed after scandals: sources,” dated December 6, 2018.

29. Attached as Exhibit 28 is a true and correct copy of a Bloomberg article titled “Wells Fargo Says It’s Cleaning Up. Regulators Demand More,” dated December 6, 2018.

30. Attached as Exhibit 29 is a true and correct copy of a Reuters article titled “Wells Fargo won’t be allowed to grow unless problems fixed: Fed’s Powell,” dated December 10, 2018.

31. Attached as Exhibit 30 is a true and correct copy of a Reuters article titled “Wells Fargo has not done enough to refund cheated drivers: regulator,” dated October 2, 2018.

32. Attached as Exhibit 31 is a true and correct copy of the transcript of the deposition of Justin Maistrow on behalf of Lead Plaintiff Employees’ Retirement System of Rhode Island, taken in this Action on November 4, 2022.

33. Attached as Exhibit 32 is a true and correct copy of a document produced by Eagle Capital Management in this Action and bearing Bates number ECM-0000146. This exhibit has been filed with the Court under seal.

34. Attached as Exhibit 33 is true and correct copy of a slide deck produced by Longview Partners in this Action and bearing Bates number LONGVIEW_MS_WF_000030. This exhibit has been filed with the Court under seal.

35. Attached as Exhibit 34 is a true and correct copy of a report produced by PZENA Investment Management in this Action and bearing Bates number PZN000099. This exhibit has been filed with the Court under seal.

36. Attached as Exhibit 35 is a true and correct copy of a report produced by PZENA Investment Management in this Action and bearing Bates number PZN000103. This exhibit has been filed with the Court under seal.

37. Attached as Exhibit 36 is a true and correct copy of a report produced by PZENA Investment Management in this Action and bearing Bates number PZN000104. This exhibit has been filed with the Court under seal.

38. Attached as Exhibit 37 is a true and correct copy of a report produced by PZENA Investment Management in this Action and bearing Bates number PZN000105. This exhibit has been filed with the Court under seal.

39. Attached as Exhibit 38 is a true and correct copy of a report produced by PZENA Investment Management in this Action and bearing Bates number PZN000106. This exhibit has been filed with the Court under seal.

40. Attached as Exhibit 39 is a true and correct copy of select account transactions by PZENA Investment Management, dated March 23, 2022, produced by PZENA Investment Management in this Action, and bearing Bates number PZN000002. This exhibit has been filed with the Court under seal.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: New York, New York
December 23, 2022

/s/ Leonid Traps
Leonid Traps

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